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DE RUEHPE #3805 3461959 ZNY CCCCC ZZH P 121959Z DEC 07 FM AMEMBASSY LIMA TO RUEHC/SECSTATE WASHDC PRIORITY 7493 INFO RUEHAC/AMEMBASSY ASUNCION 1862 RUEHBO/AMEMBASSY BOGOTA 5349 RUEHBR/AMEMBASSY BRASILIA 7692 RUEHBU/AMEMBASSY BUENOS AIRES 3219 RUEHCV/AMEMBASSY CARACAS 0971 RUEHLP/AMEMBASSY LA PAZ DEC MONTEVIDEO 9386 RUEHQT/AMEMBASSY QUITO 1631 RUEHSG/AMEMBASSY SANTIAGO 1651 RUEAIIA/CIA WASHDC RUEHUB/USINT HAVANA 0033 RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 0190

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E.O. 12958: DECL: 12/06/2016 TAGS: <u>ETTC</u> <u>ETRD</u> <u>PREL</u> <u>CU</u> <u>PE</u>

SUBJECT: CUBA: PERU REVIEW FOR SUSPENSION OF TITLE III OF

THE LIBERTAD ACT

REF: STATE 191752

Classified By: Economic Counselor, reasons 1.4 (b) and (d)

11. (U) Following is Post's response to reftel questions.

PERUVIAN INVESTMENTS IN CUBA

12. (U) There is no reliable data on Peruvian investment in Cuba. The vast majority of Peru's limited foreign direct investment is in Mexico, Bolivia, Ecuador, Central America, and the Cayman Islands.

TRADE AGREEMENTS

¶3. (U) There are no bilateral trade agreements between Peru and Cuba. Trade between the two countries is minimal. From January through December 2007, the value of Peru's exports to Cuba totaled USD 2.3 million, ranking Cuba 75th worldwide in terms of exports received from Peru. About 75 percent of Peru's exports to Cuba consisted of: polymer plates, laminates, sheets, strips, bags, cones and adhesives; books, brochures and similar printed materials; and frozen, dry, salted or briny squid and cuttlefish. Peru only imports about half a million dollars worth of products from Cuba per year, including rum, vaccines and medical products.

PERU-CUBA EXCHANGE PROGRAMS

14. (SBU) In 1999 the two countries signed a Basic Agreement on Technical Cooperation, but little has been implemented under this agreement due to lack of financing and prioritization. About 40 Peruvian students study medicine and physical education in Cuba on GOC scholarships at any given time.

GOP EFFORTS TO PROMOTE DEMOCRACY AND HUMAN RIGHTS IN CUBA

15. (C) Peru's current leaders have been guarded and

pragmatic on the leadership situation in Cuba. Last year when Castro's deteriorating health appeared to indicate an end to his regime, GOP officials emphasized that any transition process should be led by the Cuban people. While the previous Toledo Administration was often openly hostile towards the Castro regime, including support for many of the UNCHR resolutions on Cuba, the Garcia Administration has opted for a more cautious approach. MFA officials have told us Peru would likely not play a prominent or high-profile role in any future political transition.

HIGH LEVEL VISITS

16. (SBU) There have been no high-level diplomatic visits between the two countries in the past year. Peruvian President Alan Garcia took office in July 2006 after defeating Chavez and Castro-friendly nationalist candidate Ollanta Humala in a clear race, and has openly criticized both Chavez and Castro.

ASSISTANCE

17. (U) In the aftermath of the earthquake in August, Cuba provided a trauma team consisting of 60 medical professionals and medical equipment to the cities of Ica and Pisco. The Cubans maintained two fully equipped hospitals during the mission.

MCKINLEY